

the United States who is willing to say that this coalition, these partners of ours, are bribed and coerced. Where is he going to find the people to become a part of this multinational cooperation when he makes those kinds of statements?

I think that the gentleman from Massachusetts has ill-thought-out his words, has ill-established a doctrine and stands the chance of ruining America's hopes for world peace.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

(Mr. EMANUEL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Mrs. CAPPS. Mr. Speaker, I would like permission to speak in place of my colleague, the gentleman from Illinois (Mr. EMANUEL).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mrs. CAPPS) is recognized for 5 minutes.

Mrs. CAPPS. Mr. Speaker, as we come to the end of another Congress, as the country stands ready to pick a new President for the next 4 years, it is appropriate to ask is America better off today than it was 4 years ago.

In terms of health care, the answer is clearly no. Since 2001, as the economy has weakened, the cost of insurance has risen. These two factors have increased the number of uninsured Americans. There are now over 5 million more Americans without insurance than at the beginning of the Bush administration. That is right, 5.2 million more.

In 2004, insurance premiums went up 11 percent, and at the same time inflation and, more importantly, workers' wages have gone up by less than 3 percent. This unaffordable increase comes on top of an increase of almost 14 percent in 2003, 13 percent in 2002, almost 11 percent in 2001. Each of these increases far outstrips pay raises. So in that time, a family's share of health insurance premiums have gone up \$1,000, a whopping 57 percent.

With such a weak economy and without sufficient increases in wages, these increases are devastating to a working family; but this administration, this congressional leadership have not done a thing to help. In fact, they have made it harder to help people struggling with the high cost of insurance.

Just last week, the administration took over \$1 billion in unused chil-

dren's health insurance funds away from the States.

□ 2045

This money could have easily been redistributed to shore up State programs and to expand coverage. And despite the continuing State budget crises, the administration has refused to grant more fiscal relief.

These actions and the refusal of the administration to put more funding into Medicaid have put unbelievable pressure on States to cut back their insurance programs. In 2004, 19 States cut benefits. Twenty have increased copayments. In 2003, 18 States cut benefits and 17 increased copayments. And as of right now, nine more States plan to take these steps in the coming year. This is all happening because of the administration's refusal to help.

In addition, under the President's watch, prescription drug prices have skyrocketed. The administration did nothing to reduce these prices or to help people pay for them. Last year, the Republican leadership and this President shoved a Medicare bill through the House in the dead of night. That bill, written by the prescription drug and private insurance companies, offered a sham prescription drug benefit.

The President and congressional leadership blocked Medicare from negotiating lower prices for Medicare beneficiaries in the bill, and the President has fought efforts to allow seniors to import cheaper prescription medications, despite bipartisan support. Their answer was the so-called prescription drug discount card, which has proved to be a failure.

Reports done by the House Committee on Government Reform, and I did them in my district, have exposed that the prices with these cards can be higher than Canadian drug prices, and they are much higher than the prices seniors could get if Medicare would negotiate on behalf of America's 40 million seniors.

But this is not even the worst of it. The President's bill has set the stage to privatize Medicare. It shovels an additional \$46 billion to managed care companies in order to push seniors into HMOs. And the President has asked seniors to pay for that by increasing their own premiums by 17 percent. The media reports that the administration is hiding bigger premium increases down the road.

It seems pretty clear to me that America is not better off than it was 4 years ago. Democrats want to lower the cost of health insurance for small businesses through a new tax credit. We want to extend health insurance coverage to 7½ million parents through Medicaid and CHIP, and we want to help older Americans who cannot afford to purchase health insurance so they can buy into Medicare.

Democrats have a New Partnership For America's Future, one that ensures our security and lays the foundation

for a strong and prosperous economy, and that is what we are fighting for.

The SPEAKER pro tempore (Mr. MURPHY). Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ORDER OF BUSINESS

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent to proceed with my 5 minutes at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, looking forward to 2005, there are few more important issues for government than overspending and overpromising. Unless we get spending under control, government will lose the ability to do much of anything else except manage our indebtedness. Already we pay nearly \$300 billion a year, approaching 12 percent of our total expenditures for interest on the debt. That is \$300 billion a year on interest. And interest rates are going up, our debt is going up, and that cost is rising very rapidly.

This fight will influence the kind of lives that our kids have. Why do we not pay attention to the problems of the insolvency of Social Security and Medicare? Why do we not look at the problems that this kind of overpromising and overspending are going to have on the economy of the United States? The challenge facing Congress will be to restore our reputation for fiscal restraint.

The Federal Government is now running the largest budget deficit in our history, which is estimated to be \$574 billion for the fiscal year that just ended September 30, and we will soon have to increase the \$7.384 trillion statutory debt limit in order to accommodate this borrowing, which our children and our grandchildren are ultimately going to have to assume the responsibility for.

I cannot think of harsher words than maybe unconscionable, maybe too interested in our political futures to do what is necessary to deal with these tough problems. This overexpenditure, the debt, is only a small part of the total problem. Overpromising is the larger issue, and that deals with the chart I have before us tonight, and that is this massive unfunded liability.

The deficit and debt, unfortunately, are only the beginning of our financial